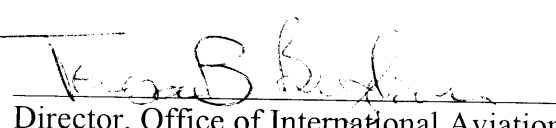


**U.S. Department of
Transportation**
Office of the Secretary
of Transportation

DEPARTMENT ACTION ON APPLICATION IN DOCKET OST 99-5713 — 4
(Filed January 16, 2001)

Approved* under assigned authority (14 CFR §385.13).

Date of Action: **January 26, 2001**



Director, Office of International Aviation

*This action is subject to the conditions attached. Persons entitled to petition the Department for review of this action under the Department's regulations, 14 CFR §385.30, should file their petitions within ten days of the date of this action. This action is effective immediately, and the filing of a petition for review will not alter its effectiveness.

Application of American Airlines, Inc. for amended Statement of Authorization to display China Eastern's "MU" designator code on American's domestic flights beyond China Eastern's Los Angeles gateway to Miami, Florida, and Boston, Massachusetts, Docket OST-99-5713, filed January 16, 2001.

The authority granted is subject to the following conditions:

- (a) The statement of authorization will remain in effect only as long as (i) American and China Eastern continue to hold the necessary underlying authority to operate the code-share services at issue, and (ii) the code-share agreement providing for the code-share operations remains in effect.
- (b) American and/or China Eastern must promptly notify the Department (Office of International Aviation) if the code-share agreement providing for the code-share operations is no longer effective or if the carriers decide to cease operating all or a portion of the approved code-share services.¹ (Such notice should be filed in Docket OST-99-5713.)
- (c) The code-sharing operations conducted under this authority must comply with 14 CFR 257 and with any amendments to the Department's regulations concerning code-share arrangements that may be adopted. Notwithstanding any provisions in the contract between the carriers, our approval here is expressly conditioned upon the requirements that the subject foreign air transportation be sold in the name of the carrier holding out such service in computer reservation systems and elsewhere; that the carrier selling such transportation (*i.e.*, the carrier shown on the ticket) accept responsibility for the entirety of the code-share journey for all obligations established in its contract of carriage with the passenger; and that the passenger liability of the operating carrier be unaffected.
- (d) The authority granted here is specifically conditioned so that neither American nor China Eastern shall give any force or effect to any contractual provisions between themselves that are contrary to these conditions.
- (e) The authority granted here is specifically conditioned so that neither American Airlines, Inc. nor China Eastern Airlines Corporation Limited shall give any force or effect to any exclusivity provision in their code-share agreement (Article 14 of the Codeshare Agreement dated December 17, 1997).

We may amend, modify, or revoke this authority at any time without hearing.

*An electronic version of this order is available on the World Wide Web at
http://dms.dot.gov/reports/report_aviation.asp*

¹ We expect this notification to be received within 10 days of such non-effectiveness or of such decision.